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MAR 25 2015

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

March 20, 2015

Ms. Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson, Second Floor
Springfield, Illinois 62761

Re: Project 13-026 Advocate Lutheran General Hospital (the "Project")

Alteration Request

Advocate Health and Hospitals Corporation (d/b/a Advocate Lutheran General Hospital)
Expansion of Surgery and Emergency Department

Dear Ms. Avery:

The Illinois Health Facilities and Services Review Board granted Advocate Lutheran General Hospital (ALGH, Hospital) a permit on August 13, 2013 to expand the existing Surgery and the Emergency Department (the "Surgery/Emergency Department Project"). Construction and modernization are proceeding well and we remain in compliance with the cost and schedule in our permit. As is typical for a large project, there are alterations we would like to implement and we are seeking your approval for them.

Description of the Alteration

The alteration does not substantially change the scope or functional operation of the facility. The total square footage of the Project will increase by 2,229 square feet or by 1.7 percent and the cost will increase from \$39,642,456 to \$40,636,730 or by 2.5 percent. The amount of funds has been increased consistent with the proposed changes and the timing in spending.

The Surgery/Emergency Department Project is an integral part of the current hospital structure. The principal changes to the non clinical area are to convert administrative/teaching space to a clinical area which will house a pediatric observation unit to hold patients waiting for a bed. The alteration also proposes developing surge space in the remaining administrative/teaching area. The Project further includes modest modernization of the current interim waiting area that will be vacated at the completion of the Emergency Department construction and modernization to house the administrative/educational functions being displaced when the clinical functions are created. The principal change to the current clinical area is increasing the roof height of the two new operating rooms and installing a supplemental steel structure in one of the rooms in order to convert it to a hybrid operating room in the future.

Reason for the Change

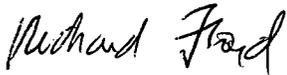
This alteration is necessitated by a greater increase in pediatric and adult emergency volume than projected at the time Project 13-026 was approved and the need to prepare for a temporary unanticipated high volume of emergency patients or for natural or manmade disasters. New surgical technology has emerged in the form of hybrid surgical rooms that enhances minimally invasive surgery, an area of expertise at Advocate Lutheran General Hospital.

Details of the proposed alteration are found in the attached summary narrative, cost and source tables, cost/space tables, explanations of the changes to the departments, and sizes of key departments. The Project will continue to be funded by a combination of cash and securities and bonds.

The Alteration filing fee of \$1,000 attached.

If you have any questions regarding this request or if you need any further information, please call Janet Scheuerman (219-464-3969) or Joe Ourth (312-876-7815). Thank you for your consideration of this Project alteration request.

Sincerely,



Richard Floyd
President
Advocate Lutheran General Hospital

Enclosures: Request for Alteration
Filing Fee: \$1,000

CC: Al Manshum, Advocate Health and Hospitals Corporation
Joe Ourth, Arnstein & Lehr LLC
Janet Scheuerman, PRISM Healthcare Consulting

Summary of Permit Alteration
Project 13-026

On August 13, 2013, the Illinois Health Facilities and Services Review Board (IHFSRB) granted Permit 13-026 to Advocate Lutheran General Hospital to expand Surgery and the Emergency Department (the "Surgery/Emergency Department Project").

Notification of Various Changes

This Alteration proposes raising the roof on the two previously approved operating rooms and installing a supplemental steel support in one of the rooms so that it can be converted to a hybrid operating room in the future. The alteration also proposes both converting space currently planned for administrative/teaching space to clinical usage including a pediatric observation unit and surge space and reusing the temporary waiting room for the displaced administrative/teaching space.

There are no State utilization standards for any of the functions included in the Alteration. There is a State Standard for square footage of emergency departments. With the proposed addition of 2,083 square feet to the Emergency Department, total departmental square footage of 21,763 is 544 square feet per room or less than the State Standard of 900 square feet per room. All other relevant State Guidelines are also met. See Summary of Permit Alteration, Exhibit 1.

The proposed alteration to Permit 13-026 does not substantially change the scope or functional operation of the facility. The total square footage of the Project will increase from 128,143 to 130,372 square feet, or by 1.7 percent and the cost will increase from \$39,642,456 to \$40,636,730, or by 2.5 percent. The amount of funds has been increased consistent with the proposed changes and the timing of the spending.

Organization of Alteration Document

The table of contents follows this Summary and Exhibit and provides the locations of the sections of the Alteration. The first main alteration discussion, Overview of the Alteration, provides a more detailed discussion of each of the four minor alterations and the Size of Key Departments. Following the Overview are original and altered Narrative (with a drawing of the proposed alteration), Attachment 7, and Attachment 9. The original pages include both the original page numbers and the alteration page numbers.

Comparison of State Guidelines to Project Metrics

Costs Upon Which State Guidelines Are Based:				
New Construction		\$6,053,744		
Modernization		830,099		
Contingencies		<u>704,830</u>		
	Subtotal	7,588,673		
Equipment		<u>2,101,000</u>		
	Total	\$9,689,673		
	Allowable	Proposed		Met Guideline?
Preplanning	1.8%	$\$31,592 \div \$9,689,673 =$	0.3%	Yes
Site Survey/ Site Preparation	5.0%	$\$27,000 + \$353,340 =$ $\$380,840 \div \$7,588,673 =$	5.0%	Yes
Contingency New Construction Modernization		$\$6,053,744 \times 10\% = \$605,374$ $\underline{\$830,099 \times 15\% = \$124,515}$ \$729,889	\$704,830	Yes
Architectural and Engineering Fees ¹	5.87% - 8.81%	$\$641,304 \div \$7,588,673 =$	8.45%	Yes
Construction Cost per Square Foot ¹	\$534.15 per SF	$\$6,053,744 + \$605,374 =$ $\$6,659,118 \div 13,911 \text{ SF} =$	\$478.69	Yes
Modernization Cost/ Sq. Ft. ¹	\$373.91	$\$830,099 + \$124,514 =$ $\$954,614 \div 3,470 \text{ SF} =$	\$275.10	Yes

¹ Source: SAR Project #13-076

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Overview of Alterations

This Alteration addresses modest revisions to the design of Advocate Lutheran General Hospital's Surgery and the Emergency Department that will alter Project 13-026 as approved in order to accommodate new technological advances in Surgery and unexpected growth and program enhancements in the Emergency Department.

The four minor alterations being proposed will:

1. Accommodate New Technological Advances in a Future Hybrid Operating Room
2. Convert a Portion of the Emergency Department Administrative/Teaching Space to a Pediatric Observation Unit
3. Convert the Remainder of the Emergency Department Administrative/Teaching Space to Surge Space for Adult and Pediatric Emergency Patients, and
4. Relocate the Displaced Emergency Department Administrative/Teaching Space to Vacated Emergency Department Waiting Space.

These alterations are described in greater detail in the following text. Narrative Exhibit 1 shows the locations of the proposed alterations.

1. Alteration to Accommodate New Technological Advances in a Future Hybrid Operating Room

Two new operating rooms are being added to the Hospital as part of the original certificate of need, Permit 13-026. These rooms are designed to accommodate minimally invasive and robotic surgery. Since the original application was filed and approved, the need to add a hybrid operating room to the Hospital's Advanced Surgical Services Institute has become a high priority. One of the purposes of this Alteration is to prepare one of the new operating rooms to become a hybrid room in the future.

A hybrid operating room is a surgical theater in which an advanced medical imaging device is permanently integrated into the operating room. In such a hybrid room, surgeons can collaborate with cardiologists and radiologists during surgery and make assessments using real-time or instantaneous images. It allows surgeons to immediately follow a diagnostic procedure with a therapeutic one. Hybrid operating rooms are currently used primarily for cardiac, vascular and neurosurgery, but may also be used for other surgical applications.

The proposed preparation for a hybrid room will further enhance the clinical capability of Advocate Lutheran General Hospital's Advanced Surgical Services Institute, already a national leader in minimally invasive surgery (MIS). The ability to perform MIS procedures under the safety net of a sterile environment is highly desirable. Hybrid rooms can help lead to improved outcomes as well operating efficiencies.

The proposed alteration to the two new operating rooms includes raising the roof on both and providing lead shielding and structural support to hold the additional weight of an imaging system in only one of them. This alteration does not include the acquisition of the imaging equipment which is expected to occur in the future when capital funds are allocated. However, it will be less disruptive to patient care and more cost efficient for the Hospital to install the supplemental structural support while the new operating rooms are under construction rather than wait to reconstruct the space in the future when the imaging equipment is actually purchased.

The Hospital estimates including the structural steel as part of the Alteration will save \$4,866,307 as compared to installing it at a future time. This cost includes demolition, refitting, reinstallations, new steel, architectural/engineering costs, contingencies, permits and other fees. It does not include lost revenues during the nine to ten months the rooms would be out of service. Narrative, Exhibit 1 shows the location of the surgery rooms that are under construction.

There is no change in surgery square footage as a result of this alternative.

2. Alteration to Convert a Portion of the Emergency Department Administrative/ Education Space to a Pediatric Observation Unit

Advocate Children's Hospital (ACH) – Park Ridge is located on the campus of Advocate Lutheran General Hospital's (ALGH). The Level I Trauma Center/Emergency Department at ALGH serves both pediatric patients from the ACH and adult patients from ALGH.

The Hospital is one of the first hospitals in Illinois to be certified by IDPH as an Emergency Department Approved for Pediatrics (EDAP). Further, it is recognized by the Emergency Medical Services for Children (EMAC). These recently reaffirmed designations signify that pediatric emergency services at the Hospital have the resources and capabilities in place to meet the emergency and critical care needs of seriously ill and injured children. Pediatric emergency services conduct ongoing pediatric quality improvement (CQI) activities including participating in Illinois regional CQI endeavors.

The pediatric emergency service receives patient transfers from several community hospitals including other Advocate Health Care facilities. These patients require the higher level of care (i.e. surgical treatment, sexual abuse treatment, and psychiatric care) that is available at ALGH. Pediatric trauma patients are treated in three universal (adult and pediatric) trauma/resuscitation rooms. The current Emergency Department has seven dedicated pediatric emergency stations staffed by board certified pediatric emergency medicine physicians and experienced specially certified nurses; the area has advanced equipment designed especially for children. The pediatric facilities in the Emergency Department approved in Project 13-026 were conservatively planned to include nine dedicated and staffed pediatric emergency stations.

Since the original plans for pediatric emergency services were reviewed and approved by the IHFSRB, these services have experienced more growth than originally anticipated. This growth, in part, is attributed to additions to the pediatric medical staff – including 6 FTE general pediatricians and 21 pediatric specialists with expertise in sports medicine, plastic surgery, neurology, nephrology, neonatology, hematology/oncology, developmental disorders and dermatology as well as intensive care medicine. Parents of these new (and existing) patients prefer to take their children to the emergency department, at ALGH where their physicians practice. In addition, children who are patients of the Hospital's subspecialty pediatric services such as the Level III Perinatal Center, the Down Syndrome Center, the Heart Institute for Children and the Midwest Children's Brain Tumor Center, to name a few, also use the pediatric services at ALGH because the local community emergency departments do not have the expertise to care for them. Finally, the outstanding reputation of ALGH's pediatric emergency care also attracts patients. Recent increases in pediatric emergency volume are shown below.

Growth in Pediatric Level II Trauma and Emergency Volume, 2012-2014

Year	Pediatric Volume Visits and Observation	Percent Increase over Previous Year
2011	16,979	--
2012	16,695	-1.67%
2013	16,799	+0.62%
2014	17,279	+2.86%

Source: ALGH and ACH-Park Ridge records.

In 2014, the pediatric emergency area had seven treatment stations; pediatric emergency volume already supported the need for need for the nine rooms approved at Project completion. Because of this increase in volume, approximately 65 patients per week (included in the 17,279 patients reported above) must be treated in adult stations. Volume is expected to continue to increase at the current rate of approximately 3 percent per year over the coming years.

Faced with this increasing volume, the pediatric staff began to identify options to ensure that the new pediatric emergency department would be able to meet community need. They first determined that the emergency stations supported several functions. Obviously they were being used as exam and treatment stations for incoming pediatric emergency patients. In addition they were being used for treatments such as infusion therapy for children in respiratory and digestive tract distress and by patients awaiting test results (which commonly could be more than an hour). Further, they were also being used to hold pediatric patients until a medical surgical or pediatric intensive care bed at ACH Park Ridge or psychiatric placement at an outside facility became available.

Based on these findings, staff then began to investigate options that would not only maintain a high level of patient throughput in the Emergency Department, but also provide an alternative for patients who did not require the same high level of emergency treatment services provided in the Department's exam and treatment stations. Their research identified that a small observation unit would be a suitable alternative for some patients. This observation unit would reduce unnecessary patient time in the exam/treatment stations, thereby enhancing throughput without compromising care. They discovered that an area currently being used for emergency patients, but approved for conversion to administrative/teaching space in Permit 13-026, is adjacent to the proposed new pediatric emergency stations. The proximity and configuration of this space makes it readily adaptable at minimal modernization cost for use as a pediatric observation unit. (While the proposed expanded and modernized adult Emergency Department already has observation rooms, the pediatric area does not.) Based on this rationale and the availability of 560 square feet of space already configured for easy conversion to an observation unit, this Alteration is requesting approval to convert three of the existing rooms in the space currently designated as administrative/teaching space to a pediatric observation unit.

It is expected that patients being held for inpatient placement would routinely use the proposed pediatric observation unit. However, in times of high volume, infusion therapy patients and patients waiting for test results could also be cared for in the observation unit thereby improving access to the Emergency Department for patients who need immediate emergency care.

3. Alteration To Convert a Portion of the Emergency Department Administrative/ Teaching Space to Surge Space

Advocate Lutheran General Hospital needs surge space to quickly expand capacity in response to unanticipated sharp increases in the number of arriving patients requiring emergency medical care. Uses for surge space often include triage and holding functions so that acute treatment can be delivered in the designated facilities that are designed and equipped to treat emergency patients. Recent increases in adult and pediatric emergency volume are shown below.

Growth in Adult and Pediatric Emergency Volume, 2011-2014

Year	Adult and Pediatric Volume	Percent Increase Over Previous Year
2011	60,426	--
2012	62,344	3.51%
2013	63,016	0.15%
2014	63,438	3.84%

Source: ALGH records.

Growth in emergency department services is expected to remain strong.

Currently the Emergency Department has 30 adult and pediatric treatment stations. Based on 2014 utilization, the Department is operating at 2,181 visits per treatment station or above the State Agency Guideline of 2,000 visits per station, demonstrating that current volume is causing severe overcrowding. When the newly expanded Emergency Department opens in 2016, it will have 37 exam and treatment rooms. The Hospital expects that these new rooms will be operating at capacity soon after they become operational for several reasons including aging of the service area population, implementation of the Affordable Care Act and the concurrent shortage of primary care physicians, and increasing use of emergency departments by behavioral health patients, to name a few.

As part of Project 13-026, a portion of the existing Emergency Department was to be reassigned and modernized for administrative/teaching space; at this time the reassignment and modernization have not occurred.

When it became evident that the pediatric emergency service would soon outgrow its proposed capacity in the new emergency department, the Hospital determined that a feasible solution to maintain a high level of throughput would be to convert part of the proposed non clinical administrative/teaching space to a pediatric observation unit. With only part of the proposed administrative/teaching space being allocated to the pediatric observation function, it became apparent that the remainder of the space could serve as surge space for adult and pediatric

patients. Of the total administrative/teaching space, the Hospital is proposing to allocate 1,523 square feet to surge space. See Narrative, Exhibit 1.

In addition to surge space for unusually high Emergency Department volume, the emergency team also recognized the need for surge space in the event of natural or manmade disasters such as tornados, infectious disease outbreaks, chemical spills, mass shootings, and multi-vehicle accidents. In addition, as a Level I Trauma Center and Resource Hospital for EMS System Region IX, the Hospital is looked to for leadership in times of mass casualty emergencies. Other unplanned situations also cause surges in Emergency Department utilization. For example, ALGH is certified as both a stemi and stroke receiving hospital and often receives these patients and other critically ill or injured patient transfers from hospitals that cannot provide ALGH's high acuity of care. In addition, the Hospital is the closest Trauma I Center to O'Hare Airport and must be prepared for air traffic accidents. Finally, ALGH is the designated emergency site when the President travels in and out of O'Hare Airport. In fact, the White House Medical Team and Secret Service recently visited and inspected the Hospital in the event that its emergency services would be needed by the President.

Among the characteristics that are considered when evaluating space to be assigned as surge space are the availability of bathrooms/hand-washing facilities, emergency power, HVAC capabilities, the ability to provide medical gases, stretcher/cart availability, suction, utilities/communication/IT ports and workspace. The space proposed for surge space meets all of these criteria and further includes two negative pressure rooms that will be valuable in the event of the arrival of infectious patients such as those with measles, flu or the E-bola virus. Importantly, this space's current configuration will require very minimal modernization cost to convert to surge space.

The proposed surge space will be able to accommodate four stretchers. It will not be staffed or used unless there is excess volume of high risk or infectious patients that cannot be accommodated in other designated emergency care areas. During times when the proposed surge space is not being used for high volume emergency/disaster events, the space will be used to store needed supplies, including stretchers (and possibly chairs), crash carts, IV poles/pumps, patient gowns, personnel protective clothing and equipment, and the like.

All surge capacity will be coordinated with other local initiatives to prepare the community for unexpected emergency or disaster needs.

4. Alteration to Relocate the Displaced Administrative/Teaching Space to Vacated Interim Emergency Department Waiting Space

As part of the Alteration, the Hospital is further proposing to relocate the administrative/teaching functions to 2,229 SF of space that was proposed to be non-clinical space at project completion. This space was originally the West End Grill. As part of Project 13-026 it was designated as interim Emergency Department waiting space. At the completion of the new waiting space, this space will be vacated and become available for the replacement Emergency Department Administrative/Teaching Space. Only minor modernization will be required to convert this space to the proposed administrative/teaching function. It is identified on Narrative, Exhibit 1.

Size of the Project as Proposed in the Alteration

The square footage of ALGH's surgery will not be changed as part of this Project.

Neither the approved number of emergency/trauma stations nor the square footage of these stations will change as part of this Alteration. However, the Alteration includes modernizing non clinical space to house two clinical functions – a pediatric observation unit and adult and pediatric surge space. These two functions will add 2,083 square feet of clinical space to the Emergency Department resulting in 544 square feet per key room or less than that State Standard of 900 square feet per room.

Clinical Square Footage per Room

Department/ Service	Number of Key Rooms ¹	Proposed DGSF	Proposed DGSF per Room	State Standard/ Allowable	Difference	Met Standard
Trauma/ Emergency	40	21,763	544 DGSF per room	900 DGSF per room	356 DGSF per room	Yes

¹. Includes three trauma rooms and 37 adult and pediatric treatment stations. The space also includes three pediatric observation rooms and four adult and pediatric surge rooms.

2. Narrative Description

Provide in the space below, a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

Advocate Lutheran General Hospital "ALGH," "Hospital" was founded in 1896 and moved to its current site at 1775 Dempster Street in Park Ridge in 1959. Over the next decades the Hospital added new or more advanced clinical services to meet the needs of the growing community; for example, in 1986, the Hospital was designated as a Level I Trauma Center. In 1995, ALGH joined Advocate Health Care.

In November 2005, the Illinois Health Facilities Planning Board approved the Hospital's application (Permit #05-037) to construct a replacement bed tower and increase the complements of medical surgical and intensive care beds. That project opened in the fall of 2009. ~~This bed tower Project ("Project")~~, and was the first major phase of redevelopment of the 1959 building; it did not include the expansion of any clinical service areas.

~~Within the last year~~ In 2012, the Hospital updated its Strategic Facility Master Plan that includes the second major phase of redevelopment of the original 1959 structure. This second major phase includes a multi-year plan to expand and modernize several key services including the Level I Trauma Center/Emergency Department, Surgery, other Interventional Services and Imaging. ~~The currently proposed~~ Project 13-026 is the initial phase in the new multi-year plan.

In addition to clinical services – more specifically Level I Trauma/Emergency Services and Surgery, this initial phase also includes investment in infrastructure in anticipation of future phases of development as capital becomes available and certificate of need approvals are granted. This infrastructure includes a new loading dock, a materials management support function, and mechanical upgrades.

~~Today~~ In 2012, the number of patients seeking care at the Level I Trauma Center/Emergency Department ~~exceeds~~ exceeded the capacity of the Department. In order to improve access and provide a safe and efficient environment, the Hospital ~~is proposing to increase~~ proposed increasing the number of treatment areas (trauma rooms and treatment stations) from 33 to 40. The 3 existing trauma rooms and 12 adult treatment rooms will remain "as is." Nine (9) pediatric treatment stations and administrative/teaching space will be developed in existing modernized space. The remainder of the department will be in new construction and will include

a new entry and drop off area, reception/registration, adult patient waiting and 16 additional adult treatment stations and an Observation Unit. A dedicated parking lot with ~~from~~ 60 to 70 parking spaces for emergency patients will also be developed.

The number of surgery patients also ~~exceeds~~ exceeded the capacity of the Surgery Department. ~~Today, the~~ The Hospital's Advanced Surgical Services Institute is a national leader of minimally invasive surgery and robotics in a number of specialties. Many of the existing operating rooms are too small to accommodate the number of staff and the large equipment that is needed for these procedures. Further, the existing operating rooms are being utilized at substantially higher rates than the State Guidelines. To address these shortfalls, the Hospital is proposing to add 2 operating rooms in new construction and 2 Phase I recovery stations in modernized space. Further expansion of surgery is part of the Hospital's future development (and not part of this application).

The Hospital is targeting LEED Silver for Healthcare certification for the Project. A site plan showing the locations of new construction on the campus and a stacking diagram showing the location of the new loading dock are included as ~~Narrative, Exhibits 1 and 2.~~ in the original application.

The proposed alteration includes raising the roof on the already approved operating rooms and adding supplemental structural support to hold the additional weight of an imaging system in one of them. It also includes using the approved administrative teaching space for a pediatric observation unit and surge space, and using the interim waiting area that will be vacated at the completion of the Emergency Department Surgery Project to house the administrative/educational functions that will be displaced when the observation unit and surge space are created.

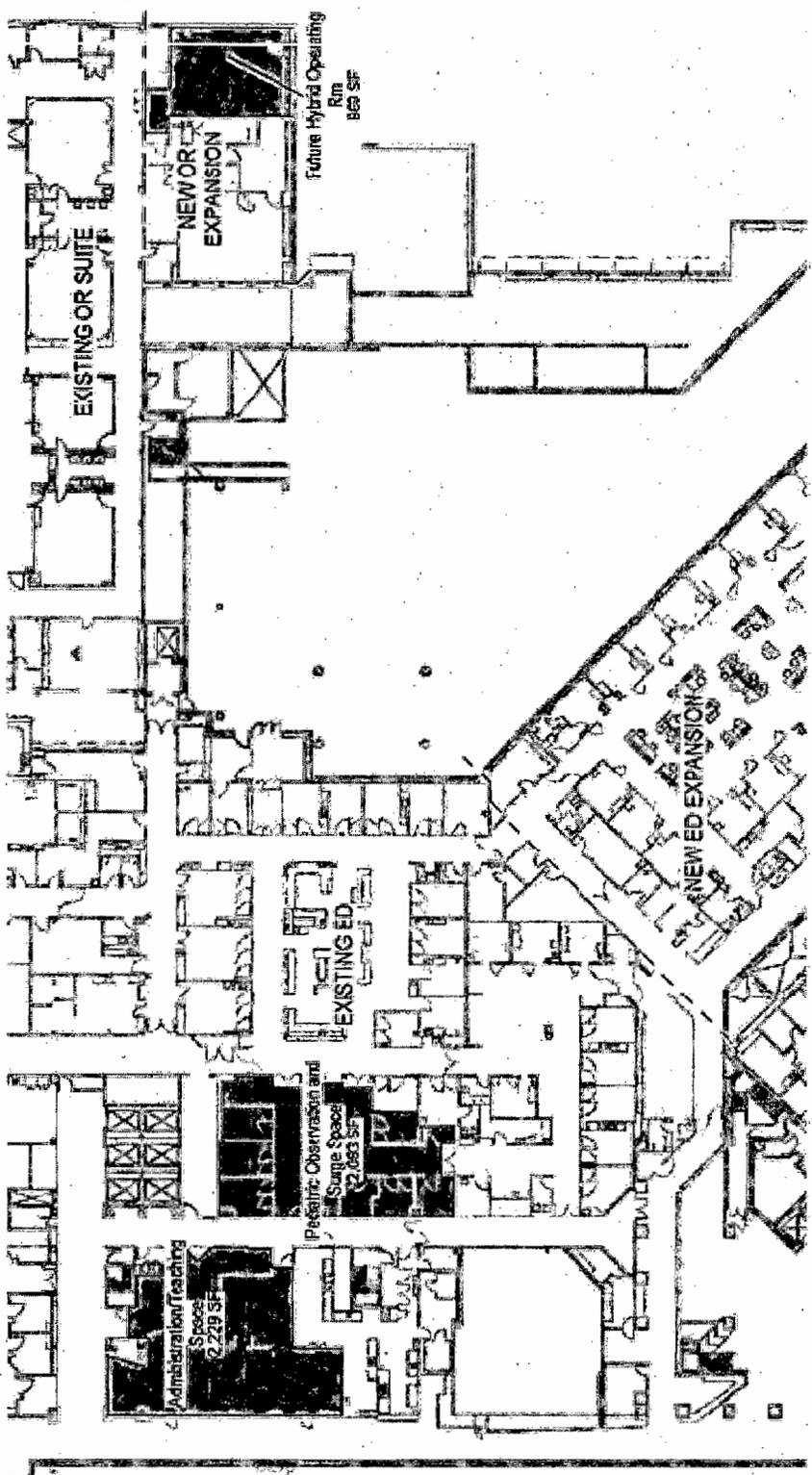
Of the total altered Project square footage, ~~66,211~~ 68,294 DGSF will be clinical space (13,911 DGSF new construction, ~~4,327~~ 3,410 DGSF in modernization, and 50,973 DGSF "as is") and ~~61,932~~ 62,078 DGSF will be non clinical for a total of ~~128,143~~ 130,372 DGSF. Total altered project cost is ~~\$39,642,456~~ \$40,636,730 or 2.5 percent more than the original application. The expected Project completion date ~~is~~ remains unchanged at September 30, 2016.

The Project has received strong community support; letters of support are included as ~~Project 13-026 Narrative, Exhibit 3~~ in the original application.

In accordance with Public Act 96-31, the project is classified as non substantive because it does not include a new facility, does not add or discontinue a service, or propose a change in capacity of more than 20 beds.

AREAS FOR AMENDED CONTRACT:

DATE:



1 FIRST FLOOR CON ALTERATION
 SCALE: 1/8"=1'-0"

CON-001

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL Reviewable	NONCLINICAL Non-Reviewable	TOTAL
Preplanning Costs	\$ 31,692	\$ 81,493	\$ 113,185
Site Survey and Soil Investigation	\$ 27,000	\$ 123,000	\$ 150,000
Site Preparation	\$ 315,540	\$ 1,437,460	\$ 1,753,000
Off Site Work	\$ -	\$ -	\$ -
New Construction Contracts	\$ 6,053,744	\$ 16,276,020	\$ 22,329,764
Modernization Contracts	\$ 393,378	\$ 162,698	\$ 556,076
Contingendes	\$ 661,158	\$ 2,457,588	\$ 3,118,746
Architectural/Engineering Fees	\$ 617,274	\$ 1,587,276	\$ 2,204,550
Consulting and Other Fees	\$ 355,663	\$ 914,563	\$ 1,270,226
Movable or Other Equipment (not in construction contracts)	\$ 2,101,000	\$ 1,298,974	\$ 3,399,974
Bond Issuance Expense (project related)	\$ 100,737	\$ 259,038	\$ 359,775
Net Interest Expense During Construction (project related)	\$ 559,919	\$ 1,439,792	\$ 1,999,711
Fair Market Value of Lease Space or Equipment			\$ -
Other Costs To Be Capitalized ¹	\$ 668,486	\$ 1,718,963	\$ 2,387,449
Acquisition of Building or Other Property (excluding land)			\$ -
TOTAL USES OF FUNDS	\$ 11,885,591	\$ 27,756,865	\$ 39,642,456
SOURCE OF FUNDS	CLINICAL Reviewable	NONCLINICAL Non-Reviewable	TOTAL
Cash and Securities			\$ 10,860,460
Pledges			
Gifts and Bequests			
Bond Issues (project related)			\$ 28,781,996
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$ -	\$ -	\$ 39,642,456
NOTE ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT -7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

¹ Includes a temporary structure, see page 42

Description of Temporary Structure

The expansion of the Level I Trauma Center/Emergency Department at Advocate Lutheran General Hospital (“ALGH,” “Hospital”) requires that the existing emergency waiting room be demolished to make way for the construction of new treatment stations and an Observation Unit.

The project team including ALGH leadership, the architects and the representatives of the construction company reviewed several possible options for keeping the existing waiting room operational during construction, but because of the construction requirements and the limitations of the site, they were all rejected.

However, the team identified a vacated kitchen and dining room located in space adjacent to the Emergency Department. With a limited amount of modernization, this space can be made code and life safety compliant and be suitable for patient waiting at a feasible cost. The team determined that the alternative of choice is to reuse the vacated kitchen and dining room as a temporary structure for Emergency Department support. At the completion of the Project, the temporary structure will remain as is, but not for clinical occupation until some future phase of Master Plan implementation.

The cost of modernizing has been included in “Other Costs To Be Capitalized.”

Note: As part of the Alteration this Temporary Structure will become non clinical Administration/Education space.

PROJECT COSTS

Items	Cost
Pre-Planning	\$ 113,185
Site and Facility Planning	15,000
Programming thru Conceptual Planning	98,185
Site survey (investigation, traffic)	150,000
Site Preparation	1,753,000
Prep Work (Clearing, grading, shoring, lots and utilities)	943,000
Earthwork, drainage, stone, foundation prep	810,000
Architect/Eng. Fees	2,204,550
Consulting and Other Fees	1,270,226
Const. Admin & Misc. Consultants	195,776
A/E RFI + Operational Consultants / Misc. Analysis	224,600
Reimbursables/ Renderings / Misc. support	117,502
MEP /Envelope, LEED Commissioning	225,000
Peer Review, Equipment planner	145,776
Miscellaneous	361,572
Movable / Equipment	3,399,974
Surgical	2,101,000
ED Misc. Equipment	520,092
PACS Hardware / Server / Station Equipment	195,000
General Equip.	96,000
Miscellaneous equipment	487,882
Other Costs to be Capitalized	2,387,449
FF&E	558,250
Utilities / Taps	1,123,971
Data Infrastructure, wireless, telecom	331,800
Miscellaneous other costs	373,428

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

PROJECT COSTS AND SOURCES OF FUNDS			
USE OF FUNDS	CLINICAL	NON CLINICAL	TOTAL
Preplanning Costs	\$ 31,692	\$ 81,493	\$ 113,185
Site Survey and Soil Investigation	\$ 27,000	\$ 123,000	\$ 150,000
Site Preparation	\$ 353,340	\$ 1,458,760	\$ 1,812,100
Off Site Work	\$ -	\$ -	\$ -
New Construction Contracts	\$ 6,053,744	\$ 16,276,020	\$ 22,329,764
Modernization Contracts	\$ 830,099	\$ 362,698	\$ 1,192,797
Contingencies	\$ 704,830	\$ 2,457,588	\$ 3,162,418
Architectural/Engineering Fees	\$ 641,334	\$ 1,607,415	\$ 2,248,749
Consulting and Other Fees	\$ 401,901	\$ 924,925	\$ 1,326,826
Movable or Other Equipment (not in construction contracts)	\$ 2,101,000	\$ 1,298,974	\$ 3,399,974
Bond Issuance Expense (project related)	\$ 103,138.84	\$ 265,214	\$ 368,353
Net Interest Expense During Construction (project related)	\$ 600,632.20	\$ 1,544,483	\$ 2,145,115
Fair Market Value of Leased Space or Equipment	\$ -	\$ -	\$ -
Other Costs To Be Capitalized	\$ 668,486	\$ 1,718,963	\$ 2,387,449
Acquisition of Building or Other Property (excluding land)	\$ -	\$ -	\$ -
TOTAL USES OF FUNDS	\$ 12,517,197	\$ 28,119,533	\$ 40,636,730
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$ -	\$ -	\$ 11,151,661
Pledges	\$ -	\$ -	\$ -
Gifts and Bequests	\$ -	\$ -	\$ -
Bond Issues (project related)	\$ -	\$ -	\$ 29,485,069
Mortgages	\$ -	\$ -	\$ -
Leases (fair market value)	\$ -	\$ -	\$ -
Governmental Appropriations	\$ -	\$ -	\$ -
Grants	\$ -	\$ -	\$ -
Other Funds and Sources	\$ -	\$ -	\$ -
TOTAL SOURCES OF FUNDS	\$ -	\$ -	\$ 40,636,730
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Items	Cost
Pre-Planning	\$113,185
Site and Facility Planning	15,000
Programming thru Conceptual Planning	98,185
Site survey (investigation, traffic)	150,000
Site Preparation	1,812,100
Prep Work (Clearing, Demo, grading, shoring, lots and utilities)	1,002,100
Earthwork, drainage, stone, foundation prep	810,000
Architect/Eng. Fees	2,248,749
Consulting and Other Fees	1,326,826
Const. Admin & Misc. Consultants	195,776
A/E RFI + Operational Consultants / Misc. Analysis	224,600
Reimbursables / Renderings / Misc. support	117,502
MEP /Envelope, LEED Commissioning	225,000
Peer Review, Equipment planner	202,376
Miscellaneous	361,572
Movable / Equipment	3,399,974
Surgical	2,101,000
ED Misc. Equipment	520,092
PACS Hardware / Server / Station Equipment	195,000
General Equip.	96,000
Miscellaneous equipment	487,882
Other Costs to be Capitalized	2,387,449
FF&E	558,250
Utilities / Taps	1,123,971
Data Infrastructure, wireless, telecom	331,800
Miscellaneous other costs	373,428

